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Meeting between TransCanada and State Department personnel -- July 19, 2010**Participants:**

TransCanada: Robert Jones, Alex Pourbaix, James White

Sen. Hutchinson's office: Troy Lyons

State Department: Dan Clune, Willem Brakel, Betsy Orlando, Matt McManus,
Michael Stewart, David Sullivan, John Schnitker

Bob Jones opened the meeting by explaining the status of TransCanada's various Keystone projects, including the Keystone XL project. He said that all Canadian permits for the XL pipeline had been approved as well as all state permits with the exception of Montana. He also said that the TransCanada personnel were talking with various parties on the Hill, including senators, congressmen and committee staff.

Bob Jones explained that there were four aspects to the Keystone XL project from TransCanada's perspective: (1) energy security; (2) environmental issues; (3) the PHMSA special permit; and (4) the economic stimulus from the project. Dan Clune explained that the Department had received public comments on the EIS and had held public meetings on the project at which both proponents and opponents had spoken. He said the Department was currently evaluating the comments that had been submitted and whether further comments would be needed. Bob Jones expressed concern about another comment period, on the basis that it would simply provide a further opportunity for opponents to attack the project.

The participants then discussed the status of TransCanada's PHMSA application including various design criteria for assuring pipeline safety. They also discussed the current and future transportation of oil from the Canadian oil sands, including to China and/or the Gulf Coast. Bob Jones also mentioned TransCanada's plan to use the Keystone XL pipeline to transport oil from Bakken production areas in Montana and North Dakota that are not currently being served by a similar pipeline system. Lastly, the participants discussed oil response plans and TransCanada advised that PHMSA had approved its response plan on oil spills.

REVIEW AUTHORITY: Adolph Eisner, Senior Reviewer